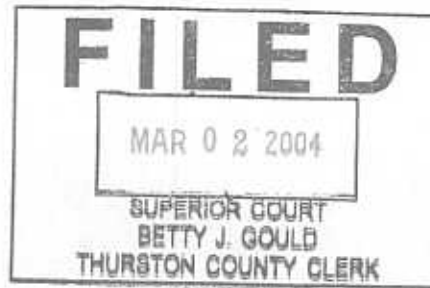


1 ☒ EXPEDITE
2 ☐ Hearing is Set
3 Date:
4 Time:



7 STATE OF WASHINGTON
8 THURSTON COUNTY SUPERIOR COURT

9 MIKE KREIDLER,
10 INSURANCE COMMISSIONER,

11 Petitioner,

12 v.

13 WESTERN UNITED LIFE
14 ASSURANCE COMPANY,

15 Respondent.

NO. 04-2-00406-1

ORDER OF REHABILITATION AND
APPOINTMENT OF RECEIVER

16 THIS MATTER having come on regularly before the Court on the Petition For
17 Appointment of Receiver and For Order of Rehabilitation ("Petition"), and the Court having
18 determined that the statutory requirements and grounds for the requested relief have been met
19 and that the Respondent Western United Life Assurance Company ("Western United") has
20 consented to state insurer rehabilitation proceedings and entry of this Order, and the Court
21 being otherwise fully advised in the premises, now therefore

22 IT IS HEREBY ORDERED AS FOLLOWS:

23 1. Pursuant to Chapters 48.31 and 48.99 RCW, Insurance Commissioner Mike
24 Kreidler, and his successor(s), is hereby appointed Statutory Receiver of Western United for
25 purposes of rehabilitation, Deputy Insurance Commissioner James T. Odiorne is hereby
26 appointed Receiver of Western United for purposes of rehabilitation, C. Wayne Metcalf III is
hereby appointed Chief Deputy Receiver of Western United for purposes of rehabilitation, and

1 Marshall McGinnis, OIC Company Licensing Manager, is hereby appointed Deputy Receiver
2 for purposes of rehabilitation. As used herein, the term "Receiver" includes the Statutory
3 Receiver, the Receiver, the Chief Deputy Receiver, and the Deputy Receiver as appointed
4 herein.

5 2. Pursuant to RCW 48.31.040, the Receiver shall forthwith take possession of all
6 the assets, books, records, files and all of the property, real and personal, contracts, and rights
7 of action of Western United located in the State of Washington or elsewhere, and shall deal
8 with the property and business of Western United in his own name or in the name of Western
9 United in receivership. The Receiver shall conduct the business of Western United, and shall
10 take such steps toward removal of the causes and conditions which have made rehabilitation
11 necessary as the Court may approve; and the Receiver shall administer the assets of Western
12 United under the general supervision of the Court.

13 3. Western United, by and through its directors, trustees, officers, members,
14 employees, agents, attorneys, and representatives, shall surrender to the Receiver forthwith its
15 premises, assets, records, and documents pertaining to the business of Western United.
16 Western United and its directors, trustees, officers, employees, members, agents, attorneys
17 and representatives are commanded to peacefully deliver up and surrender to the Receiver or
18 the Receiver's agents or attorneys, all the assets and records of Western United, all keys to all
19 Western United premises and to safe deposit boxes, and to advise the Receiver of the
20 combinations to any safes, safe-keeping devices, or restricted access entries of Western
21 United.

22 4. Western United and its directors, trustees, officers, members, employees,
23 agents, attorneys and representatives are hereby enjoined from interfering with the Receiver's
24 title, possession and use of any and all of the property of Western United; and from disposing
25 of, removing, paying out, parting with, withdrawing, alienating or encumbering any of the
26 assets or other property of Western United.

1 5. No bank or financial institution holding funds or deposits of Western United or
2 any of its affiliates may offset said funds or deposits against any amounts owing to the bank or
3 financial institution without the express written authority of the Receiver.

4 6. The provisions of RCW 48.31.045 concerning legal actions in which Western
5 United is a party or obligated to defend shall apply to these proceedings, including a stay of
6 the action or proceeding, upon request by the Receiver, for ninety (90) days and such
7 additional time as is necessary for the Receiver to obtain proper representation and prepare for
8 further proceedings. The Receiver is specifically authorized to pursue all claims against third
9 parties on behalf of the receivership estate of Western United, and to take all action necessary
10 to pursue such claims, including the hiring of outside counsel or other necessary professionals.

11 7. The Receiver shall keep accountings of the rehabilitation proceedings of
12 Western United, and render and file with the Court such accountings at such intervals as are
13 deemed reasonable and/or necessary by the Receiver, but in no event less frequently than
14 semiannually, beginning six (6) months from the date of this Order.

15 8. Upon entry of this Order, title to all the assets of Western United hereby vests
16 in the Receiver by operation of law.

17 9. The Receiver is authorized and directed to administer the assets of Western
18 United and conduct the rehabilitation proceedings under the provisions of Title 48 RCW
19 applicable to rehabilitation delinquency proceedings.

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